

December 24, 2009
Jennifer J. Johnson
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20511

Re: Proposed Amendments to Regulation Z, Rules for Closed-End Credit (Docket No. R-1366)

Dear Ms. Johnson:

Thank you for the opportunity to comment on the proposed amendments to Regulation Z and the Official Staff Commentary to Regulation Z (the "Commentary") amending Regulation Z with respect to closed-end mortgages.

I write today to express my support and substantive concurrence with the comments submitted by John A. Courson, President and Chief Executive Officer of The Mortgage Bankers Association. As a loan officer in Dallas, Texas with seven years experience in residential mortgage lending and twenty three years experience in technology and professional services I am particularly concerned that:

- The Proposal, unless significantly revised, would harm consumers and increase consumer borrowing costs.
- Broad restrictions against loan officer compensation based on the rate and term of loans will unduly limit competition, degrade service quality and limit consumer options, thereby harming the consumers the restrictions are intended to serve.
- Restrictions against steering, as proposed, are subjective and thus invite litigation, the cost of which will be ultimately borne by consumers.

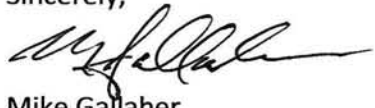
I strongly support many of the changes proposed by the Board to improve disclosures to help make the mortgage market more transparent to consumers, specifically "Key Questions to Ask About Your Mortgage" and "Fixed v. Adjustable Rate Mortgages as well as the revised Truth in Lending (TIL) closed end disclosure.

It has been my experience that a commission-based compensation model promotes highly efficient and competitive Prime lending markets that are beneficial to consumers. If the Board decides, based upon empirical evidence that current compensation practices are injurious or unfair to consumers, to proceed with the proposed restrictions on compensation based on the loan terms, those restrictions should be targeted to protect vulnerable borrowers and against steering of consumers to loans with risky features.

It has also been my experience that successful large scale change initiatives require substantial stakeholder involvement and support. I strongly encourage the Board to take the time necessary to

work with stakeholders before the Proposal is finalized to ensure the successful implementation of greater transparency in the mortgage lending process.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mike Gallaher', with a stylized, flowing script.

Mike Gallaher
Loan Officer